

Bank of America Annual Report 1967

CLEVELAND PUBLIC LIBRARY
BUSINESS INF. BUR.
CORPORATION FILE





"Our conception of a bank
is that of a great public servant
—an institution run in the
interest and for the welfare
of the people it serves."

A. P. Giannini

COVER: Teletapes of messages from around the world are shown on the cover, representing just a fraction of the 1,500 overseas messages handled daily by Bank of America's international banking offices in San Francisco, New York, and Los Angeles.

Report to Our Stockholders 1967

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63 Years of Growth	Inside back cover



President R. A. Peterson at
Bank of America's International Banking Office
in Los Angeles.



Chairman of the Board Louis B. Lundborg
delivering the keynote address at the National Industrial
Conference Board's Convocation on World Hunger.

1967 was a year of economic crosscurrents and uncertainties on a global scale. Yet despite these crosscurrents and uncertainties, 1967 was a banner year for Bank of America both nationally and internationally. Earnings, loans, and deposits all rose to record levels. BankAmericard®, our all-purpose credit card, continued its historic growth both in California and, through our bank licensing plan, throughout the nation. The pace of our money market operations increased to one and a quarter billion dollars a day. And our bank investment securities division again generated a substantial contribution to net earnings.

On a consolidated basis, earnings reached a record high of \$130 million, or \$4.57 per share. This is an increase of 10.3% over last year's comparable figure of \$118 million, or \$4.15 per share.

Deposits rose by \$1.6 billion to reach \$19.1 billion at year end. Loans increased by over \$700 million to top \$12.1 billion. Resources rose to nearly \$21.5 billion.

BankAmericard sales in California increased 46% and totaled \$335 million for the year. Nationally, more than 250 licensee and agent banks are participating in the BankAmericard program. There are over six million cards outstanding throughout the country, and national sales for 1967, including California, totaled \$463 million.

Computer-based business services were expanded during 1967. These services include Payroll, Professional Billing, Accounts Payable, and Retail Billing.

Our Trust Department's growth continued in 1967. Assets, income, and average size of account are growing at a rate of better than 10% per year, and contributions to earnings have improved significantly.

Events of 1967 brought to the American people a growing awareness of the impact of international affairs on our domestic economy. Perhaps never before in our history have our people and our government so clearly recognized that our nation's domestic economic policies are inseparable from our international policies. Similarly, the management of Bank of America's domestic business is intertwined with international operations. We believe our shareholders are generally well informed about our domestic business, but we sense a desire for more information about the scope, the policies, and the objectives of our international operations. For this reason we are devoting a major portion of this year's annual report to international banking.

International Network Grows

Facts and figures about our domestic accomplishments are detailed in statistical summaries in this report. Important as all of these achievements are, we believe the bank's most notable accomplishment during the year was the rapid acceleration of international banking activities.

During 1967 we opened 19 new overseas branches, made a number of significant investments abroad, and increased international resources to \$5 billion. This growth was made possible by our background of 20 years of accelerated expansion of Bank of America's overseas activities.

At the end of World War II, our bank had one overseas branch; it was located in London and had been opened in 1931. At the conclusion of 1967, we had in operation 63 overseas branches, 11 overseas representative offices, and investments in financial institutions around the globe. In addition our Italian affiliate, Banca d'America e d'Italia, operated 85 banking offices throughout Italy and had assets in excess of a billion dollars.



Executive Vice President Roland Pierotti, center, greets guests at the opening of our branch in Birmingham, our third branch in England.



Euromast in Rotterdam, site of one of our two branches in The Netherlands.



Aerial view of Copenhagen, location of our Scandinavian representative office.



The old and the new in Frankfurt, where we will open our third branch in Germany in 1968.

Our recent emphasis on international expansion is rooted in our belief that world trade is the key to future success in commerce and finance. For the world community, expanding trade is good economics. Equally important, it is politically necessary to maintain the cohesion and the vitality of the free world. Given the combination of good economics and political necessity, we expect trade to grow and world-wide demands for credit to mount.

Regulation Can Inhibit Activities

However, the growth in international banking can be impeded by the persistent problem of government regulation. United States banks are a primary instrument for the implementation of Federal economic policy on an international basis, and obviously our operations overseas are affected by the regulations of host country governments.

Most governments are beginning to realize that permanent and excessive regulation can strangle national and international growth. We believe we can work closely with our own government and the governments of other nations toward the development of an international business climate favorable to free trade and investment.

Therefore, we are confident that, while government regulations will continue to create problems, the long-term potential for broadening international operations is almost limitless.

In fact, on a long-term basis, the major potential impediment to rapid growth in the international banking field would be a failure to recognize and deal effectively with the political and cultural differences of peoples. We believe that international banks must have flexible organizations and sound philosophies in order to work effectively with peoples of different cultures and political orientations.

In the management of our international operations we try to combine the best features of both centralized and decentralized organizations. Policy and resource allocation for the world-wide system are developed by our International Managing Committee, which meets weekly in San Francisco. Within this broad framework, authority for making policy a viable tool for generating business and profits is vested in the operating international units themselves. In this way we ensure that all units are working toward common management objectives but, at the same time, we allow each unit the choice of method best suited to the cultures, the traditions, and the business customs of the host country.

Bank of America Adapts to Overseas Locations

Our philosophy of international banking differs in subtle but important ways from the traditional concepts of this activity. Historically, most major international banks have grown by "following the flag." They have felt that their primary overseas responsibility was to finance their nations' domestic companies

doing international business. While this is important to Bank of America, we have believed from the beginning that we should also work closely with indigenous business and banks in countries where we have facilities. This policy is not only helpful to host country firms, it also has many advantages for U.S. companies doing international business with Bank of America. As a result of this philosophy, we finance overseas business in almost every currency—our loans are made in pounds and rupees, pesos and yen. We provide the banking services necessary for a transaction between Tokyo and Beirut or London and Buenos Aires as readily as between Los Angeles and Hong Kong. For any global company, regardless of home office location, our services and terms of financing are identical to those offered to U.S.-based international companies.

We are also firm believers in the multinational approach to banking and business. We think that the multinational company—owned and managed by the citizens of several nations—is not only helpful in protecting profitability in a political and nationalistic world, but also is a promising key to greater international cooperation in the future.

This conviction led us to the creation during 1966 of a new financial institution. In equal partnership with five of Europe's foremost banking houses we formed the Société Financière Européenne. The S.F.E. represents a new concept in cooperation among leading European and American financial institutions. The participating European banks are the Algemene Bank Nederland N. V. (The Netherlands), Banca Nazionale del Lavoro (Italy), Banque Nationale de Paris (France), Barclays Bank (England), and Dresdner Bank (Germany).

In fulfilling its role, the new financial institution extends medium- and long-term loans, participates in equity financing, and assists in mergers and consolidations of European companies to further the European desire to expand and harmonize its industry.

The Board of Directors of S.F.E. is its principal policy-making body and consists of two of the senior officers from each participating bank.

We are convinced that this multinational joint venture will assist the process of economic integration within Europe and between Europe and the United States.

Our development of S.F.E. was based on many years of successful experience with another major multinational financial institution, Société Financière pour les Pays d'Outre-mer (S.F.O.M., or Financial Corporation for Overseas Countries). This bank was formed to spearhead development of our African banking network. It owns a bank in Geneva, as well as 10 banks which operate 34 banking offices in 11 African nations. Our partners in this successful multinational venture are Banca d'America e d'Italia, of Milan; Banque Lambert, of Brussels; Banque Nationale de Paris, of Paris; and Commerzbank, of Duesseldorf.



Rome office of Banca d'America e d'Italia, one of that bank's 85 offices in Italy.



Our Man-on-the-Spot® in Guayaquil, Ecuador.



La Paz, Bolivia, where our bank opened a branch in June 1967.



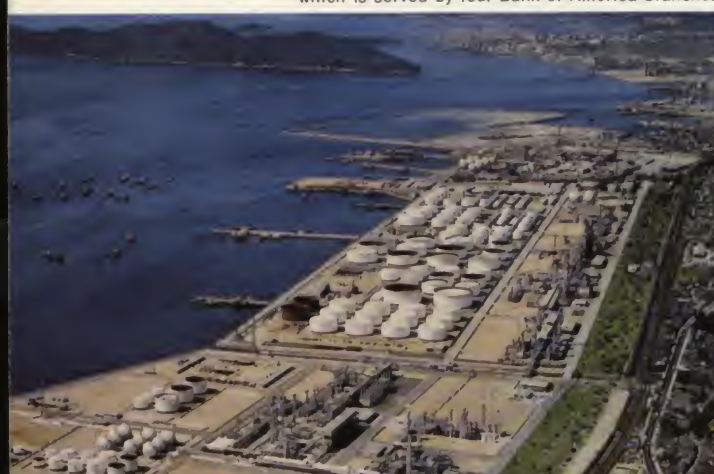
Santiago, site of three of our bank's seven branches in Chile.



Industry in Taiwan, where economic development is progressing at a rapid pace.



A junk silhouetted against the bustling commercial district of Hong Kong, which is served by four Bank of America branches.



Oil refinery on Japan's Inland Sea; our bank finances almost 25% of Japan's crude oil needs and maintains four branches in that nation.

Flexible Approach Taken

Although we believe companies like S.F.E. and S.F.O.M. are the wave of the future, particularly in industrialized nations, we continue to approach our international opportunities with flexibility. Our proven combination of overseas branches, Edge Act affiliates, investment participations, and representative offices enables us to move in whatever direction time and circumstance indicate will be effective.

An example of this flexible approach can be found in our overseas growth in 1967.

In Europe, in addition to the formation of S.F.E., we opened branches in Birmingham, England; Munich, Germany; Zurich, Switzerland; and Marseille, France. The branches in Birmingham, Munich, and Marseille are the first American banks in these key industrial cities.

Latin American expansion was highlighted in 1967 by the purchase of Chile's Banco Italiano, whose six branches in the Santiago area now operate as part of our own branch network. In December of 1967 we opened our seventh branch in Chile. Elsewhere in South America we established branches in Guayaquil, Ecuador; San Pedro Sula, Honduras; Bogota, Colombia; La Paz, Bolivia; and David, Panama.

In the Far East we opened a branch in Seoul, Korea, and in the Philippines we acquired a substantive interest in the Industrial Finance Corporation, Makati, increasing our participation in the profitable instalment financing activities of that nation.

Elsewhere in Asia a branch was opened in Lahore, Pakistan. Six military banking facilities were added in Vietnam and Thailand. Through our representative office in Australia, we continued our active financing and investment support in the development of that nation's rich iron ore and bauxite resources.

Profitability Justifies Risk Involved

Despite the manifold successes of 1967, international banking holds more risk than domestic banking. This is, in fact, one of the prime reasons for its substantial profitability. At Bank of America we believe that we have minimized this risk exposure by our last 20 years of intensive international experience; by virtue of our seasoned, highly competent cadre of professional international bankers; and by our policy of widespread geographic diversification. Nevertheless, risks such as the danger of war and revolution do exist, and we were affected by both in some sections of the Middle East and Africa during 1967. Under the recommendation of the State Department, families of American personnel in our Beirut branch had to be evacuated during the Middle East war in June. Although they returned in a few weeks, the brief war had a depressing effect on most types of business in some countries in that area.

In Nigeria the secession of the eastern region created what is in effect a civil war. Our Port Harcourt branch is in the troubled

area, and all American personnel have been evacuated. The fate of the region hangs on the outcome of military actions and political settlements. We believe that the odds strongly favor a return to normalcy and the re-establishment of commercial activities. Even assuming the worst, any loss we may incur in Port Harcourt will be minimal.

Our Services Benefit World Commerce

In November of 1967, the United Kingdom announced the devaluation of the pound sterling. Our bank and its customers were well prepared for this eventuality. Nevertheless, the British devaluation illustrates the problems of international business with its need for the kind of daily economic and business intelligence and the sophisticated financial techniques available through an international bank.

Because we can fulfill the need for such intelligence and because we believe we are uniquely situated to meet the ever increasing financial demands of world commerce, we confidently expect continued growth and mounting profits in our international activities.

Geographically, we are the only bank with major installations on both coasts of the United States.

Bank of America, New York, our wholly owned Edge Act subsidiary, faces the Atlantic, and Bank of America's San Francisco and Los Angeles international banking offices face the vast Pacific rim, an area which now accounts for one-half of U. S. foreign trade and an area where the growth potential is phenomenal.

Bank of America, New York, is located in its own premises at 37-41 Broad Street and has a staff of over 700 people. It operates exclusively in the international field and is the largest and most active Edge Act banking corporation owned by any American bank.

In addition to supporting the parent organization in its overseas relationships and extending all forms of international banking services, Bank of America, New York, has become a leader in financing U. S. exports and in the structuring of plans for financing development projects overseas in conjunction with international and U. S. agencies.

Developing Nations Assisted

Whenever we open a branch or make an investment overseas we bring substantial advantages to the host country. Through our international network, we open to the host country and its businessmen another window on the world—an important source of immediate economic intelligence from our Men-on-the-Spot® in nations around the globe. For lesser developed countries, our bank brings years of direct experience in such a basic and critical area as agriculture. This, of course, is a vital consideration for indigenous governments.



Bank of America's branch at 16-32 Phan Van Dat, Saigon, Vietnam.



As the only international bank with extensive agricultural experience, Bank of America is striving to help raise the level of agricultural development in lesser developed nations around the world.



We maintain a representative office in Sydney, Australia.



Lagos, Nigeria, is the location of one of our two branches in that nation.



Beirut, Lebanon, site of both a branch and a representative office.



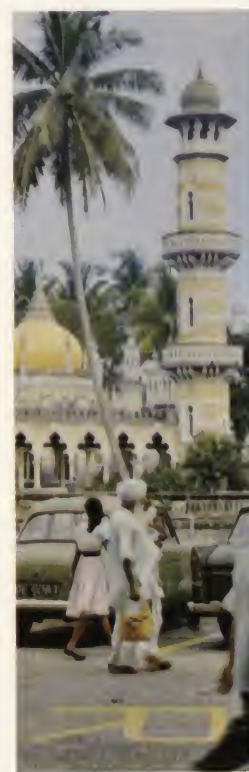
Pakistan and India are both served by two Bank of America branches.



Interior of our branch in Bangkok, Thailand.



In Paris, our branch at 28 Place Vendôme is housed in a building that is officially listed as a national monument.



Picturesque Kuala Lumpur in Malaysia has been served by a Bank of America branch since 1959.



Our wholly owned subsidiary, Bank of America, New York, is situated on Broad Street in the heart of the city's financial district.

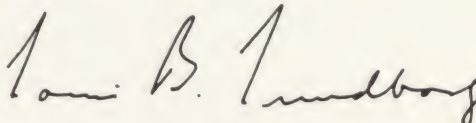
We believe that one of the most interesting profit opportunities in the last third of the Twentieth Century is to be found in the political imperative of agribusiness development in the lesser developed countries. In this circumstance, we are in a unique position because we are the only large international bank with extensive experience in this field. For 50 years Bank of America has been a major force in California's agricultural development. The state is over a thousand miles long on a north-south axis and has wide varieties of climate and topography. As a result it produces almost every type of agricultural product known to man. We have financed the vast array of food and fiber produced by our native state and have been equally active in the development and financing of distribution and marketing facilities. It is no exaggeration to state that Bank of America is steeped in agribusiness.

We intend to put this experience to work in the lesser developed countries, not only in the interests of reasonable profit but also to respond to clear and unmistakable demands of conscience and political necessity. Among the many problems of the developing nations, the rising tide of world hunger demands the most urgent attention. One of the first tasks must be to bring Twentieth Century agribusiness techniques to the lesser developed nations. And the *sine qua non* for effective agribusiness is sophisticated and imaginative agricultural credit. We are already moving in this direction. We have invited agribusiness firms to join us in forming consortia to bring profitable self-help programs to lesser developed nations. We have put our agricultural experience to work in Central America with gratifying results. We are just completing plans for the financing of a \$62 million fertilizer plant in India. In Pakistan we were the leading American bank in the financing of the Mangla Dam project. This multimillion dollar project will provide irrigation waters to Pakistani farmers and a power source for local industrial development. We have provided guidance in the restructuring of the programs of the Agency for International Development and are a leader in handling AID transactions.

Our objectives overseas are clear: We want to aid the host countries and their business; we want to share our technology in cooperative efforts with the local banking communities; we want to develop greater cooperation within the world banking community; we want to further the cause of multinationalism; we want to play a role in the great task of raising living standards in the lesser developed countries; we want to further the cause of free world trade; we want to assist U.S. business in its overseas operations. Because we believe each of these objectives fulfills a manifestly clear need we are confident that our international banking activities will grow in scope and profitability in the years ahead.



R. A. Peterson, President



Louis B. Lundborg, Chairman

Consolidated Statement of Condition

Resources	December 31, 1967	December 31, 1966
Cash and due from banks	\$ 3,943,055,000	\$ 3,456,583,000
United States Government securities and securities guaranteed by the Government	2,066,756,000	1,867,291,000
State, county and municipal securities	1,561,539,000	1,360,409,000
Other securities	366,702,000	342,229,000
Total Securities	\$ 3,994,997,000	\$ 3,569,929,000
Loans	12,173,981,000	11,463,292,000
Funds sold	248,326,000	226,072,000
Customers' liability for acceptances	406,414,000	374,561,000
Bank premises and equipment	315,997,000	276,353,000
Other resources	372,630,000	356,915,000
Total Resources	\$21,455,400,000	\$19,723,705,000

Liabilities	December 31, 1967	December 31, 1966
Capital - Common stock - par value \$6.25	\$ 178,005,000	\$ 178,000,000
	1967	1966
No. shares authorized	28,980,000	28,980,000
No. shares outstanding	28,480,765	28,480,000
Surplus	572,035,000	482,000,000
Undivided profits	236,190,000	277,190,000
Reserve for contingencies	43,394,000	33,803,000
Total Capital Funds	\$ 1,029,624,000	\$ 970,993,000
Reserve for possible loan losses	187,761,000	180,132,000
Demand deposits	7,789,979,000	7,147,409,000
Savings and time deposits	11,309,959,000	10,365,841,000
Total Deposits	\$19,099,938,000	\$17,513,250,000
Funds borrowed	295,147,000	290,212,000
Liability on acceptances	409,979,000	382,274,000
Other liabilities	432,951,000	386,844,000
Total Liabilities	\$21,455,400,000	\$19,723,705,000

Consolidated Summary of Earnings

	Twelve months ended December 31,	
	1967	1966
Operating Earnings		
Interest and fees on loans	\$ 699,133,000	\$ 655,503,000
Interest and dividends on:		
U.S. Government securities	68,879,000	64,917,000
State, county and municipal securities	63,850,000	47,480,000
Other securities	21,375,000	12,058,000
Interest on funds sold	23,387,000	19,819,000
Service charges on deposit accounts	42,317,000	40,568,000
Trust Department income	18,543,000	16,040,000
Other operating income	63,565,000	58,534,000
Total	\$1,001,049,000	\$ 914,919,000
Operating Expenses		
Salaries	\$ 187,662,000	\$ 171,967,000
Pensions, profit sharing, and other employe benefits	29,084,000	24,101,000
Interest on deposits	437,161,000	389,164,000
Interest on borrowed money	23,875,000	24,009,000
Net occupancy expense—bank premises	33,206,000	30,570,000
Equipment—rentals, depreciation, maintenance	15,881,000	18,145,000
Other operating expenses	70,572,000	58,427,000
Total	\$ 797,441,000	\$ 716,383,000
Net operating earnings before income taxes	203,608,000	198,536,000
Taxes on operating earnings	73,339,000	80,432,000
Net Operating Earnings	\$ 130,269,000	\$ 118,104,000
Per share—based on 28,480,765 shares for 1967 and 28,480,000 shares for 1966	\$4.57	\$4.15
Non-operating items, net after tax effect:		
Additions:		
Net profit on securities transactions	\$ 1,502,000	\$ 1,663,000
Other additions	304,000	291,000
	\$ 1,806,000	\$ 1,954,000
Deductions:		
Transfers to reserves	\$ 14,590,000	\$ 12,429,000
Other deductions	1,342,000	1,109,000
	\$ 15,932,000	\$ 13,538,000
Net non-operating deductions	\$ 14,126,000	\$ 11,584,000
Net addition to capital funds before dividends	\$ 116,143,000	\$ 106,520,000

Notes to the Financial Statements

Basis of Consolidation

The consolidated statements include the accounts of Bank of America NT & SA; Merchants National Realty Company, the bank's realty subsidiary; Banca d'America e d'Italia; two Edge Act subsidiaries—Bank of America, New York, and Bamerical International Financial Corporation. The consolidated subsidiaries are wholly owned with the exception of an insignificant minority interest in the Italian bank.

Only remittable earnings of the overseas offices are included.

Figures for 1966 have been restated to reflect consolidation with subsidiaries and to otherwise conform with new reporting procedures prescribed by the Comptroller of the Currency in 1967.

Securities

Investment securities are carried at cost after adjustment for accumulated amortization of premiums or accretion of discount. Beginning in 1967, the practice of accreting discount on investment securities was initiated in order to reflect more appropriately the yield basis realized to maturity or sale. For the years prior to 1967, the accumulated accretion of discount on our portfolio, amounting to \$3,104,000 as at December 31, 1966, was transferred during the year to the Reserve for Contingencies. Trading account securities are carried at the lower of cost or market value.

Reconciliation of Capital Accounts

	1967	1966
Capital Funds on January 1	\$ 970,993,000	\$ 921,433,000
Additions:		
Transferred from Summary of Earnings	116,143,000	106,520,000
Transferred from reserves	2,000,000	—
Other additions	3,144,000*	—
Deductions:		
Dividends paid	62,656,000	56,960,000
Per share	\$2.20	\$2.00
Capital Funds on December 31	<u>\$1,029,624,000</u>	<u>\$ 970,993,000</u>

*Includes approximately \$40,000 representing proceeds of 765 shares of common stock issued under Stock Option Plan.

Reconciliation of Valuation and Contingency Reserves

	VALUATION RESERVES				CONTINGENCY RESERVES	
	Reserve for loan losses pursuant to IRS rulings		Reserves on Securities			
	1967	1966	1967	1966	1967	1966
Balance at beginning of year	\$180,132,000	\$176,807,000	\$2,000,000	\$2,000,000	\$33,803,000	\$28,803,000
Recoveries credited to these reserves	6,763,000	5,725,000	—	—	—	—
Transfers to these reserves	31,487,000	26,352,000	—	—	13,990,000	7,331,000
Losses charged to these reserves	(30,621,000)	(28,752,000)	—	—	—	—
Transfers from these reserves	—	—	(2,000,000)	—	(4,399,000)	(2,331,000)
Balance at end of year	<u>\$187,761,000</u>	<u>\$180,132,000</u>	<u>—</u>	<u>\$2,000,000</u>	<u>\$43,394,000</u>	<u>\$33,803,000</u>

Statistical Summary



	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	446,290	500,145	535,595	552,231	601,303	656,321	718,087	784,122	914,919	1,001,049
\$	369,271	413,847	442,367	464,448	518,176	565,812	618,462	682,388	796,815	870,780
\$	77,019	86,298	93,228	87,783	83,127	90,509	99,625	101,734	118,104	130,269
\$	2.87*	3.21*	3.47*	3.08	2.92	3.18	3.50	3.57	4.15	4.57

*Adjusted for 5% stock dividend paid December 1961.

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	595,404	620,857	648,123	678,264*	794,184	815,101	843,151	874,079	943,748	998,083
	12.9%	13.9%	14.4%	12.9%	10.5%	11.1%	11.8%	11.6%	12.5%	13.1%
\$	46,080	48,640	49,920	51,200	56,960	56,960	56,960	56,960	56,960	62,656
\$	1.80	1.90	1.95	2.00	2.00	2.00	2.00	2.00	2.00	2.20
	25,600,000	25,600,000	25,600,000	28,480,000	28,480,000	28,480,000	28,480,000	28,480,000	28,480,000	28,480,765

*Excludes proceeds from sale of additional common stock issued December 1961.

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	4,975	5,328	5,267	5,552	5,564	5,949	5,950	5,835	7,147	7,790
\$	5,332	5,297	5,539	5,923	6,532	7,293	8,050	9,102	10,366	11,310
\$	10,307	10,625	10,806	11,475	12,096	13,242	14,000	14,937	17,513	19,100

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	2,208	2,744	2,945	3,075	3,344	3,581	4,179	4,894	5,975	6,627
\$	2,307	2,528	2,355	2,392	2,717	3,033	3,067	3,145	3,222	3,305
\$	1,147	1,328	1,399	1,361	1,527	1,751	1,975	2,111	2,266	2,242
\$	5,662	6,600	6,699	6,828	7,588	8,365	9,221	10,150	11,463	12,174

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	2,398	1,796	1,782	2,256	2,013	2,002	2,022	1,886	1,867	2,067
\$	740	704	696	719	846	957	951	1,120	1,361	1,561
\$	279	225	225	206	245	233	225	297	342	367
\$	3,417	2,725	2,703	3,181	3,104	3,192	3,198	3,303	3,570	3,995
	3/2	3/1	2/6	1/11	2/8	3/4	3/4	3/9	4/1	4/0

Figures for 1966 and 1967 are on a consolidated basis.

Earnings IN THOUSANDS OF DOLLARS

Operating Earnings

Operating Expenses

Net Operating Earnings

N.O.E. Per Share (in dollars)

Dividends & Capital

Average Capital (beginning, middle, and end of year—in thousands of dollars)

Return on Average Capital

Dividends Paid (in thousands of dollars)

Dividends Per Share (in dollars)

Number of Shares Outstanding

Deposits IN MILLIONS OF DOLLARS

Demand Deposits

Savings and Time Deposits

Total Deposits

Loans IN MILLIONS OF DOLLARS

Commercial Loans

Real Estate Loans

Timeplan Loans

Total Loans

Securities IN MILLIONS OF DOLLARS

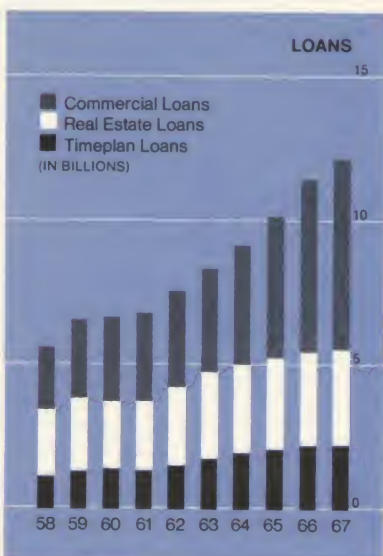
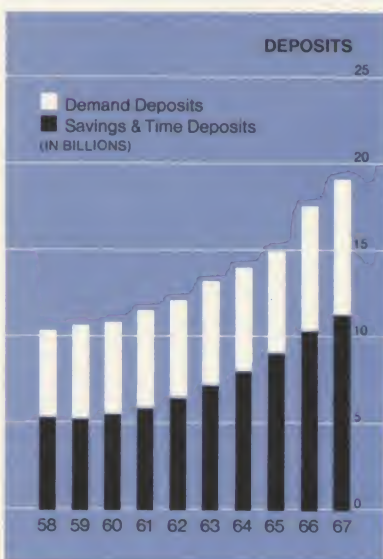
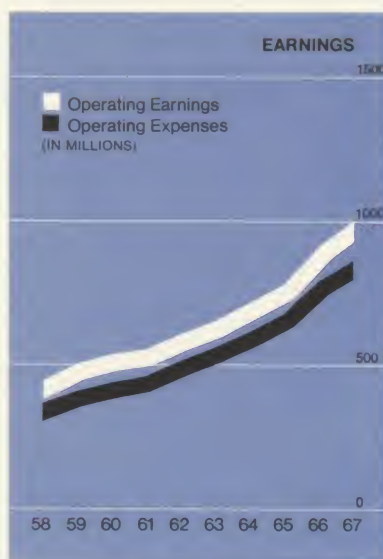
Government-Guaranteed

State, County and Municipal

Other Securities

Total Securities

Average Maturity—U.S. Government Securities (years/months) (excluding subsidiaries)



	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
	5.64%	5.85%	6.12%	6.09%	6.06%	6.07%	6.09%	6.16%	6.44%	6.66%
	2.32%	2.52%	2.62%	2.67%	2.80%	3.01%	3.22%	3.35%	3.60%	3.80%

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	4,305	4,614	4,703	4,810	4,919	5,059	5,246	5,291	5,379	5,596
\$	4,923	5,123	4,938	5,366	5,988	6,493	7,082	7,798	8,609	9,589
\$	9,228	9,737	9,641	10,176	10,907	11,552	12,328	13,089	13,988	15,185
\$	5,343	5,888	6,401	6,386	6,826	7,470	8,245	8,893	9,672	9,943
\$	3,204	2,985	2,402	2,902	3,119	3,153	3,194	3,403	3,500	4,089

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
\$	—	31,600	59,900	74,000	84,800	111,100	144,400	185,900	228,300	335,100
	—	*	*	*	1,014,000	1,256,000	1,280,000	1,328,000	1,983,000	2,648,000
	—	26,400	29,300	35,200	35,400	37,700	40,200	54,600	64,100	83,000

*Not available on a comparable basis.

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
	638	664	707	738	819	850	871	891	902	939
	31	31	31	31	31	31	31	31	30	30
	2	3	3	3	3	3	3	3	3	3

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
	14	16	19	20	22	22	27	34	44	63
	11	12	11	12	12	12	13	12	13	14
	10	13	13	12	11	13	11	11	11	11
\$	1.7	1.7	2.0	2.1	2.3	2.7	3.1	3.8	4.5	5.0

	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
	1.4%	13.4%	6.9%	4.1%	10.7%	8.5%	16.3%	10.3%	8.8%	10.6%

Average Earning Rates

(excluding overseas branches and subsidiaries)

Loans

Securities

Weekly Averages

IN MILLIONS OF DOLLARS
(excluding overseas branches and subsidiaries)

Demand Deposits

Savings and Time Deposits

Total Deposits

Loans

Securities

BankAmericard

(In California)

Annual Sales and Cash Advances
(in thousands of dollars)

Number of Cardholders—Year End

Number of Participating Merchants
—Year End

Domestic Units

Branches

Military Facilities

Representative Offices

International

Overseas Branches

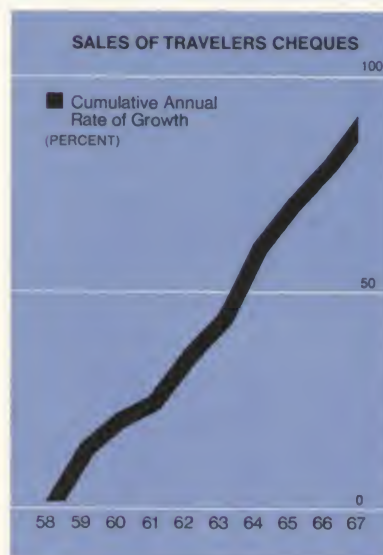
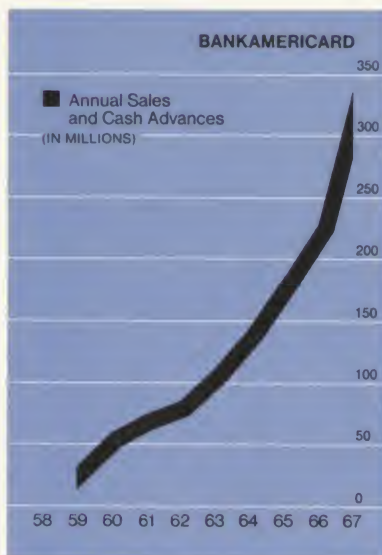
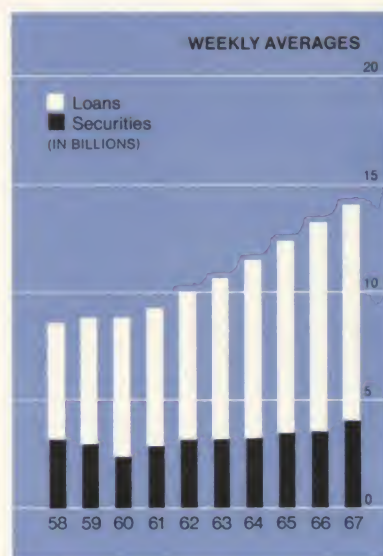
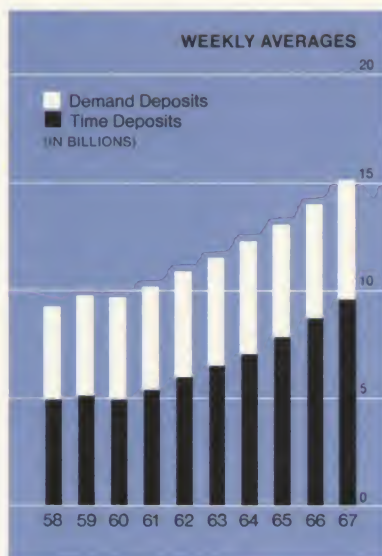
Overseas Military Facilities

Overseas Representative Offices

Total International Resources
(in billions of dollars)

Travelers Cheques

Annual Rate of Growth



Board of Directors

ROBERT B. ANDERSON*
Carl M. Loeb, Rhoades and Company
New York, New York

ROY L. ASH
Litton Industries
Beverly Hills, California

HARRY S. BAKER
Producers Cotton Oil Co.
Fresno, California

S. CLARK BEISE
Chairman, Executive Committee
Bank of America NT&SA

WHEELOCK H. BINGHAM*
R. H. Macy & Co., Inc.
New York, New York

DANIEL P. BRYANT
Bekins Van & Storage Co.
Los Angeles, California

OWEN R. CHEATHAM
Georgia-Pacific Corporation
New York, New York

AUSTIN T. CUSHMAN
Sears, Roebuck & Co.
Chicago, Illinois

ROBERT DI GIORGIO
Di Giorgio Corporation
San Francisco, California

LOWELL S. DILLINGHAM
Dillingham Corporation
Honolulu, Hawaii

F. A. FERROGGIARO
Oakland, California

FORREST FRICK*
Rancher
Bakersfield, California

GEORGE F. GETTY II
Getty Oil Company
Los Angeles, California

WALTER A. HAAS, JR.
Levi Strauss & Co.
San Francisco, California

MARSHAL HALE
Hale Bros. Associates, Inc.
San Francisco, California

PRENTIS C. HALE
Broadway-Hale Stores, Inc.
San Francisco, California

MRS. CLAIRE GIANNINI HOFFMAN
San Mateo, California

ROBERT E. HUNTER*
Property Management
Santa Barbara, California

EDGAR F. KAISER*
Kaiser Industries Corp.
Oakland, California

LOUIS B. LUNDBORG
Chairman of the Board
Bank of America NT&SA

T. M. McDANIEL, JR.*
Southern California Edison Co.
Los Angeles, California

GARRET McENERNEY II
McEnerney & Jacobs
San Francisco, California

R. A. PETERSON
President
Bank of America NT&SA

NEIL PETREE
Barker Bros. Corporation
Los Angeles, California

LOUIS A. PETRI
United Vintners, Inc.
San Francisco, California

A. E. SBARBORO
San Francisco, California

ROLAND TOGNAZZINI
Union Sugar Company
San Francisco, California

GROVER D. TURNBOW
Industrialist
Oakland, California

THEODORE A. VON der AHE
Von's Grocery Company
El Monte, California

E. HORNSBY WASSON
The Pacific Telephone & Telegraph Co.
San Francisco, California

CARL F. WENTE
Honorary Chairman
Board of Directors
Bank of America NT&SA

** Advisory Directors*

Managing Committee

R. A. PETERSON
President and Chief Executive Officer

LOUIS B. LUNDBORG
Chairman of the Board of Directors
and Executive Officer—
Southern Division

SAMUEL B. STEWART
Executive Vice President,
Senior Administrative Officer

C. H. BAUMHEFNER
Executive Vice President and Cashier

KEATH L. CARVER
Executive Vice President, Loans

F. M. DANA
Executive Vice President,
Special Projects

R. L. GORDON
Executive Vice President,
Administrative Officer—
Southern Division

ROLAND PIEROTTI
Executive Vice President,
International Banking

D. C. SUTHERLAND
Executive Vice President, Chairman
of the General Finance Committee

A. R. ZIPF
Executive Vice President, Branches

WALTER E. HOADLEY
Senior Vice President and
Chief Economist

R. D. SYER
Senior Vice President,
Instalment Credit and BankAmericard

F. E. YOUNG
Assistant to the President

Advisory Council

H. M. BARDT
Los Angeles, California

W. J. BRAUNSCHWEIGER
Los Angeles, California

A. W. CLAUSEN
Senior Vice President, Loans

D. S. LANGSDORF
Senior Vice President and Controller

LLOYD MAZZERA
Orinda, California

J. H. ROSENBERG
Los Angeles, California

ROBERT T. SHINKLE
Senior Vice President and
Senior Trust Officer

World-wide Organization



LONDON, ENGLAND

6058

KOZA, OKINAWA

MUNICH

6059

MANILA, PHILIPPINES

PARIS, FRANCE

6060

NAHA, OKINAWA

ROTTERDAM, NETHERLANDS

6061

OSAKA, JAPAN

VIENNA, AUSTRIA

6062

TAIPEI, TAIWAN



BANK OF AMERICA'S WORLD-WIDE FACILITIES

■ International Banking Headquarters Offices

● Overseas Branches

★ Representative Offices

★ Banca d'America e d'Italia

▲ Locations of Overseas Financial Institutions
in which we have Investments



The Bank of America International Organization

IN THE U.S.A.

INTERNATIONAL BANKING ADMINISTRATION

San Francisco, California
300 Montgomery Street

INTERNATIONAL BANKING OFFICES

Los Angeles, California
101 West Seventh Street

San Francisco, California
540 Montgomery Street

New York, N. Y.
Bank of America, New York
(A wholly owned subsidiary)
37/41 Broad Street

OFFICES OF REPRESENTATIVES

Chicago, Illinois
135 South La Salle Street

New York City
37/41 Broad Street

Washington, D.C.
730 15th Street N.W.

INVESTMENT IN FINANCIAL INSTITUTION IN:

Nassau, Bahamas

IN EUROPE

BRANCHES

Austria

Vienna Branch
Rotenturmstrasse 13
Mr. W. A. Steinhauer, Manager

Belgium

Antwerp Branch
34 Van Eycklei
Mr. R. E. Phillips, Manager

Brussels Branch
1 Place Madou
Mr. L. Cicogna, Manager

England

Birmingham Branch
Cavendish House, Waterloo Street
Mr. J. R. Drumwright, Manager

London Branch
27-29 Walbrook
Mr. R. F. Young,
Vice President & Manager

West End Branch
29 Davies Street, London
Mr. M. Lion, Manager

France

Marseille Branch
24 Place Castellane
Mr. Andre Kahn, Manager

Paris Branch
28 Place Vendôme
Mr. Scudder Mersman, Jr.
Vice President & Manager

Germany

Duesseldorf Branch
Koenigsallee 33
Mr. F. W. Almerood,
Vice President & Manager

Munich Branch
Ludwigstrasse 8-10
Mr. H. P. Kremer, Manager

Switzerland

Zurich Branch
14/16 Boersenstrasse
Mr. J. R. Kramer, Manager

The Netherlands

Amsterdam Branch
Herengracht 237/239
Mr. F. Van der Sleen,
Vice President & Manager

Rotterdam Branch
66 Calandstraat
Mr. J. W. Wolzak, Manager

OFFICES OF REPRESENTATIVES

Denmark

Scandinavia
Norregade 40, Copenhagen
Mr. Flemming Kolby

France

Portugal & North Africa
28 Place Vendôme, Paris
Mr. Leslie T. De Auer

Germany

Koenigsallee 33, Duesseldorf
Mr. H. P. Von der Porten

Italy

Italy, Greece & Yugoslavia
Via G. Verdi 2, Milan
Mr. L. Magugliani

Spain

Marques de Valdeiglesias, No. 3
Madrid
Mr. Michel Simon

Switzerland

Talacker 50, Zurich
Mr. L. Vinci

BANCA D'AMERICA E D'ITALIA —an affiliate of Bank of America

Head Office
5 Via Manzoni, Milan, Italy
Maintains 85 banking offices
throughout Italy—including
Bologna, Florence, Genoa, Naples,
Rome, Turin, Venice and other
key cities.

INVESTMENTS IN FINANCIAL INSTITUTIONS IN:

Athens, Greece; Barcelona and
Madrid, Spain; Geneva,
Switzerland; Luxembourg;
Moenchengladbach, Germany;
Paris, France

IN THE FAR EAST

BRANCHES

Guam

Agana Branch
Marine Drive
Mr. C. T. Hartzell, Manager

Tamuning Branch
Marine Drive
(Under supervision of Agana Branch)

Hong Kong, B.C.C.

Hong Kong Branch
2 A Queen's Road Central
Mr. E. H. Burrell, Manager

Kowloon Branch
655 Nathan Road
Mr. G. N. Brands, Manager

Peninsula Branch
100 Nathan Road, Kowloon
(Under supervision of
Kowloon Branch)

West Point Branch
73-79 Des Voeux Road West
Mr. L. E. Saubolle, Manager

Japan

Kobe Branch
76-1 Kyomachi, Ikuta-ku
Mr. H. Cockerill, Manager

Osaka Branch
No. 5 Koraibashi
4-chome, Higashi-ku
Mr. E. B. Lockerby, Manager

Tokyo Branch
4, 1-chome, Marunouchi
Chiyoda-ku
Mr. D. C. Colville,
Vice President & Manager

Yokohama Branch
33 Nihon-Odori, Naka-ku
(Under supervision of Tokyo Branch)

Korea

Seoul Branch
199-63, Ulchi-Ro,
2-Ka, Chung-ku
Mr. D. G. Ross, Manager

Okinawa

Koza Branch
334, Aza Shimabukuro
Kitanakagusuku-son
Mr. A. R. Caudron, Manager

Naha Branch
2 Banchi, 5-chome
Higashi-Machi
Mr. A. R. Caudron, Manager

Philippines

Manila Branch
231 Juan Luna
Mr. R. D. H. Wilmer,
Vice President & Manager

Taiwan

Taipei Branch
43 Kuan Chien Road
Mr. S. E. Payne, Manager

Trust Territories (Pacific Islands)

Truk (Island of Moen)
(Under supervision of Agana Branch)

INVESTMENTS IN FINANCIAL INSTITUTIONS IN:

Manila, Philippines

IN SOUTHEAST ASIA AND AUSTRALASIA

BRANCHES

India

Bombay Branch
18 Bruce Street
Mr. J. O. Sims, Manager

Calcutta Branch
8 India Exchange Place
Mr. Cornelis Van Dongen, Manager

Malaysia

Kuala Lumpur Branch
2 Jalan Weld
Mr. J. A. A. Steenmeijer, Manager

Pakistan

Karachi Branch
Jubilee Insurance House, McLeod Rd.
Mr. G. L. Fitzwater, Manager

Lahore Branch
No. 1 Roberts Road
Mr. D. F. Stieber, Manager

Singapore (Republic of)

Jurong Branch
97-99 Taman Jurong, Singapore
(Under supervision of
Singapore Branch)

Orchard Road Branch
376 Orchard Road, Singapore
(Under supervision of
Singapore Branch)

Singapore Branch
31 Raffles Place
Mr. J. D. Van Oenen,
Vice President & Manager

Thailand

Bangkok Branch
297 Suriwong Road
Mr. J. M. Ahrens, Manager

Vietnam

Saigon Branch
16-32 Phan Van Dat
Mr. Ian H. C. Bradley, Manager

OFFICE OF REPRESENTATIVE

Australia

Southeast Asia and Australasia
Plaza Building - Australia Square
Sydney, N.S.W.
Mr. P. B. Goss

INVESTMENTS IN FINANCIAL INSTITUTIONS IN:

Bangkok, Thailand; Bombay, India;
Karachi, Pakistan; Kuala Lumpur,
Malaysia; Singapore (Republic of)

IN THE MIDDLE EAST AND AFRICA

BRANCHES

Lebanon

Beirut Branch
Intra Building, Riad Solh Street
Mr. Pieter Huizer,
Vice President & Manager

Nigeria

Lagos Branch
138/146 Broad Street
Mr. W. J. Reilly, Manager

Port Harcourt Branch
10 Aba Road
Mr. Anthony O. Scarrow, Manager

OFFICE OF REPRESENTATIVE

Lebanon

Intra Building, Riad Solh Street
Beirut
Mr. C. Carlsson

INVESTMENTS IN FINANCIAL INSTITUTIONS IN:

Abidjan, Ivory Coast; Ankara, Turkey; Brazzaville, Congo (Republic of the); Bujumbura, Burundi; Casablanca, Morocco; Dakar, Senegal; Douala, Cameroun; Istanbul, Turkey; Izmir, Turkey; Kampala, Uganda; Kigali, Rwanda; Kinshasa, Congo (Democratic Republic of the); Lagos, Nigeria; Lusaka, Zambia; Nairobi, Kenya; Teheran, Iran; Tripoli, Libya; Tunis, Tunisia

IN LATIN AMERICA

BRANCHES

Argentina

Buenos Aires Branch
Maipu 250
Mr. G. R. Aceves,
Vice President & Manager

Bolivia

La Paz Branch
Calle Mercado 1046
Mr. F. C. Brenner, Manager

Chile

Santiago Branch
Calle Bandera 66
Mr. Luis Pazmino, Manager

La Vega Branch
Avenida La Paz 255
(Under supervision of
Santiago Branch)

Melipilla Branch
Vargas 450
(Under supervision of
Santiago Branch)

Valparaiso Branch
Calle Prat 673/7
Mr. Enzo Gasparini, Manager

Almendral Branch
Calle Chacabuco 2701
(Under supervision of
Santiago Branch)

Vina del Mar Branch
Calle Valparaiso 200
(Under supervision of
Santiago Branch)

Providencia Branch
Avenida Providencia 1303
Santiago
(Under supervision of
Santiago Branch)

Colombia

Bogota Branch
7-80 Calle 13
Mr. Manuel Domingo, Manager

Ecuador

Guayaquil Branch
Calle Malecon y Elizalde
Mr. J. R. Terrazas, Manager

Guatemala

Guatemala Branch
5a. Ave. 11-16 Zona 1
Mr. A. Giraldi,
Vice President & Manager

La Torre Branch
7a. Ave. 7-34 Zona 4
(Under supervision of
Guatemala Branch)

Honduras

Tegucigalpa Branch
1st Street & 7th Avenue
Mr. Walter Moser, Manager

San Pedro Sula Branch
6-B 3ra Avenida Noroeste
Mr. R. K. Jensen, Manager

Nicaragua

Managua Branch
Avenida Roosevelt & 2a Calle N.O.
Mr. J. Zavala, Manager

Panama (Republic of)

Colon Branch
Tenth Street & Front Avenue
(Under supervision of
Panama Branch)

Central Avenue Branch
Avenida 7a Central, Panama
(Under supervision of Panama Branch)

Panama Branch
Avenida Peru y Calle 36
Mr. M. O. Sesenna,
Vice President & Manager

David Branch
Calle Juan A.
Guizado C.
Norte 51-90
Mr. Jaime Anguizola, Manager

Peru

Lima Branch
Jiron Antonio Miro Quesada 327
Mr. C. Ristich, Manager

OFFICES OF REPRESENTATIVES

Brazil

Avenida Rio Branco 52
Rio de Janeiro, G.B.
Mr. D. Gannon

Mexico

Ave. Juarez 14-811
Mexico, D.F.
Mr. Jose E. Carral, Vice President

Venezuela

Edificio Banco Industrial
Esquina Traposos, Caracas
Mr. Juan Casabone

INVESTMENTS IN FINANCIAL INSTITUTIONS IN:

Managua, Nicaragua; Mexico, D.F.;
Panama, Republic of Panama;
San Jose, Costa Rica

CORRESPONDENT BANKS AROUND THE WORLD

63 Years of Growth of Bank of America NT&SA

Dec. 31	Loans	Securities	Deposits	Capital Funds	Resources	Branches in California
1904	\$ 178,400	\$ 34,446	\$ 134,413	\$ 151,024	\$ 285,437	1
1905	883,522	24,505	703,024	310,000	1,021,291	1
1906	1,471,123	81,571	1,348,723	531,565	1,899,947	1
1907	1,678,222	57,884	1,660,324	546,945	2,221,347	2
1908	1,669,567	57,884	1,728,899	828,673	2,574,005	2
1909	2,445,137	266,628	2,929,495	840,820	3,817,218	3
1910	4,159,459	858,547	5,348,151	1,150,000	6,539,861	3
1911	4,885,974	1,638,000	7,129,456	1,201,649	8,379,347	3
1912	7,092,823	1,846,769	9,916,018	1,251,437	11,228,815	4
1913	10,282,785	2,406,706	14,226,242	1,580,390	15,882,912	7
1914	11,457,790	2,677,718	16,272,563	1,600,217	18,030,402	7
1915	12,970,068	5,084,363	20,474,873	1,624,244	22,321,861	7
1916	23,682,894	7,527,408	36,804,776	2,691,452	39,805,995	12
1917	47,004,189	13,308,177	72,044,729	4,100,000	77,473,153	19
1918	59,869,035	14,538,649	85,937,839	7,000,000	93,546,162	24
1919	74,737,335	33,855,881	127,258,626	8,500,000	137,900,700	24
1920	95,127,616	37,199,447	140,993,545	12,913,240	157,464,685	24
1921	116,911,735	43,499,682	177,867,611	15,036,948	194,179,450	41
1922	152,989,286	59,090,529	229,751,526	22,529,844	254,282,290	61
1923	200,505,931	56,543,859	276,548,879	23,616,832	301,963,478	75
1924	204,472,438	96,489,255	328,963,919	28,061,578	358,656,302	87
1925	228,793,066	121,678,890	389,433,241	30,974,173	422,838,587	98
1926	255,557,233	129,630,279	416,656,511	36,928,035	460,981,773	98
1927	403,864,139	238,856,707	645,002,138	63,040,829	765,188,977	289
1928	410,276,641	272,884,061	698,435,841	105,756,632	847,910,539	290
1929	541,617,718	246,538,740	893,892,733	108,651,159	1,056,113,373	292
1930	669,258,341	249,139,543	998,039,477	106,477,386	1,161,895,889	353
1931	548,431,954	237,965,856	749,796,772	105,789,289	925,150,152	346
1932	480,675,374	262,952,550	700,447,811	108,326,495	876,309,347	345
1933	458,693,566	311,084,996	767,817,646	104,911,632	941,001,838	345
1934	461,645,975	477,989,657	978,332,802	98,575,205	1,142,323,319	413
1935	451,009,354	622,694,559	1,155,265,465	102,455,685	1,277,419,381	421
1936	532,076,966	625,809,982	1,298,976,759	106,995,170	1,430,337,201	466
1937	630,668,811	553,131,379	1,357,378,756	110,844,941	1,493,373,095	491
1938	673,828,309	557,632,428	1,437,027,491	115,810,433	1,574,721,670	494
1939	711,054,697	604,268,671	1,482,791,676	118,853,366	1,628,586,278	495
1940	778,295,101	668,676,296	1,632,228,397	156,337,691	1,817,535,186	495
1941	914,569,553	693,113,910	1,908,383,921	160,378,646	2,095,635,619	495
1942	840,469,960	1,265,749,444	2,586,140,699	160,402,363	2,771,689,632	487
1943	810,660,642	2,095,432,722	3,498,153,210	166,384,995	3,697,912,675	488
1944	894,436,931	2,740,064,364	4,350,539,688	219,322,432	4,609,124,133	491
1945	1,018,741,456	3,533,172,278	5,339,307,098	229,594,556	5,626,063,927	493
1946	1,722,743,513	2,882,151,377	5,415,849,715	241,296,707	5,765,525,193	500
1947	2,492,979,739	2,170,721,906	5,467,199,162	261,690,893	5,845,817,669	508
1948	2,807,070,398	1,945,231,719	5,639,523,419	284,184,798	6,072,913,872	517
1949	2,804,522,646	2,322,505,622	5,775,110,029	310,717,868	6,250,402,352	525
1950	3,266,953,558	2,243,415,017	6,191,705,871	399,911,277	6,863,358,214	526
1951	3,632,685,350	2,439,510,645	6,815,866,795	412,385,858	7,531,296,927	529
1952	4,069,150,471	2,413,852,775	7,485,116,184	424,302,146	8,201,689,369	538
1953	4,148,713,734	2,531,605,621	7,744,200,096	441,363,763	8,501,761,722	543
1954	4,043,312,145	3,271,392,367	8,270,534,751	466,596,688	9,163,355,289	548
1955	4,727,961,473	2,984,567,789	8,802,506,128	485,848,396	9,669,145,972	574
1956	5,353,035,991	2,518,301,682	8,993,240,999	562,867,001	9,991,842,012	603
1957	5,554,784,021	2,742,530,348	9,524,116,723	583,021,221	10,639,149,591	617
1958	5,661,888,351	3,417,539,858	10,307,560,993	607,536,823	11,290,852,752	638
1959	6,599,668,232	2,725,392,943	10,624,958,182	632,666,983	11,669,404,346	664
1960	6,699,494,437	2,702,508,088	10,805,891,450	663,632,290	11,941,981,259	707
1961	6,827,609,080	3,180,825,331	11,475,436,134	785,113,468	12,735,764,740	738
1962	7,587,992,697	3,104,506,580	12,095,965,067	803,708,548	13,417,140,809	819
1963	8,365,413,120	3,192,475,035	13,242,505,625	828,180,759	14,693,851,459	850
1964	9,221,083,111	3,197,948,529	14,000,122,847	859,788,887	15,498,892,008	871
1965	10,149,973,355	3,303,086,228	14,937,130,457	891,893,147	16,528,957,604	891
*1966	11,463,292,000	3,569,929,000	17,513,250,000	970,993,000	19,723,705,000	902
*1967	12,173,981,000	3,994,997,000	19,099,938,000	1,029,624,000	21,455,400,000	939

*Figures for 1966 and 1967 are on a consolidated basis and are rounded to the nearest thousand dollars

